

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF ILLINOIS**

**INSTRUCTIONS FOR USE OF UNIFORM CHAPTER 13 PLAN
IN CHAPTER 13 CASES FILED ON OR AFTER JULY 1, 2007**

General:

All Chapter 13 Debtors are required to use the Uniform Chapter 13 Plan (attached as Exhibit 1 to this Court's General Order 07-5 for Administration of Chapter 13 Cases filed on or after July 1, 2007). The Chapter 13 Plan consists of five (5) pages. Changes, additions or deletions to the Plan are strictly prohibited without leave of Court, other than to add or delete creditor line boxes.

Any amendments to a Plan must be underlined. Failure to underline such change(s) will result in the same being *noticed as deficient by the Clerk's office*.

This is a "claims based" plan. As such, all allowed secured and priority claims will be paid the amount of their allowed secured/priority claim, except as provided in paragraph 4(B) of the plan. The interest rate set forth in the Plan shall be binding on all parties upon confirmation of the Debtor(s)' Plan unless a timely written objection is filed.

Average Monthly Payments: As used in the Chapter 13 Plan, the dollar figure utilized for the "average monthly payment" is determined by taking the total amount of the claim or value [for claims in which 11 U.S.C. Section 506 is applicable] as scheduled by the Debtor(s) in the Plan and dividing that by the length of the Plan. Payment of these amounts may fluctuate either upward or downward based upon funds available by the Trustee for disbursement and/or as certain claims are satisfied (e.g., attorney's fees).

Specific:

1. PAYMENTS:

This section establishes the payment schedule Debtor(s) will use to make their plan payments. The first "start month #" will always be "1" and then the "end month #" will be the last month in which the Debtor(s) will make that specific dollar amount of a monthly payment. For example, if the Debtor(s) propose a 48 month plan, the "start month #" will be "1", the "end month #" will be "48", the monthly payment will be the plan payment amount, and the total will be the plan payment amount multiplied by 48. The additional lines shall be utilized in circumstances where there is an unusual payment (i.e. lawsuit proceeds), the plan payments change due to a subsequent amendment, or in those certain circumstances where a step payment may be justified. An example is shown below:

<u>Start Month #</u>	<u>End Month #</u>	<u>Monthly Payment</u>	<u>Total</u>
1	33	200.00	6,600.00
34	60	300.00	8,100.00
Unknown - lawsuit proceeds			Estimated \$15,000.00
Total Months: 60		Grand Total Payments: 29,700.00	

The Debtor(s)' employment information is self explanatory. Absent leave of Court, entry of a wage withholding order is mandatory in all cases unless the Debtor(s)' sole source of income is (i) social security benefits; (ii) retirement funds; (iii) unemployment benefits; (iv) self employment; or (v) family assistance.

Order of Distribution:

This sets forth the priority of payments to creditors. All creditors must be paid in each category before disbursements will be made in a lower distribution level.

In calculating the amount of the trustee's fee, Debtor(s) shall use the maximum 10% fee.

The Plan contemplates that all on-going mortgage payments, allowed secured claims and attorney's fees will be paid on a pro-rata basis based upon the average amount of their monthly payment amount. Additionally, payments on all allowed secured claims shall commence in the first month of the Plan, thus ensuring secured creditors are provided with adequate protection payments.

Attorney's Fees:

This section is self explanatory.

2. PRIORITY CLAIMS

Anytime a domestic support obligation exists (even if the Debtor is current on payments) the DSO claimant must be listed both in the Plan and on Schedule E.

The amount listed as the "Estimated Arrearage" is the amount proposed by the Debtor(s) in this Plan. If the actual allowed claim is different from the estimated arrearage amount, and the trustee determines that the plan will still complete as proposed, the Trustee shall pay the actual amount of the allowed claim without the need for an Amended Plan.

3. REAL ESTATE - CURING DEFAULTS AND MAINTAINING PAYMENTS

Continuing on-going mortgage payments must be paid by the Trustee if the Debtor(s) are in arrears on such payments at the time the case is commenced or at the time of any plan amendment. The Trustee will commence on-going mortgage payments with the first payment due after the month in which the petition is filed.

The amount listed in the “Estimated Arrearage” is the amount proposed by the Debtor(s) in this Plan. If the actual allowed claim is different from the estimated arrearage amount, and the trustee determines that the plan will still complete as proposed, the Trustee shall pay the actual amount of the allowed claim without the need for an Amended Plan.

SECURED PROPERTY TAX CLAIMS

The Debtor(s) shall have the option to pay any pre-petition property tax claims directly or through their plan. If such claims are being paid by the Trustee, these claims will be paid on a monthly pro-rata basis along with other allowed secured claims.

4. SECURED CLAIMS AND VALUATION OF COLLATERAL UNDER 11 U.S.C. §506.

This section is divided into two (2) distinct sections and each is addressed below:

A. Secured Claims to which §506 Valuation is NOT Applicable:

The amount listed in the “Claim Amount” is the amount proposed by the Debtor(s) in this Plan. If the actual allowed claim is different from the “Claim Amount,” and the trustee determines that the plan will still complete as proposed, the Trustee shall pay the actual amount of the allowed claim without the need for an Amended Plan

B. Secured Claims to which §506 Valuation is Applicable:

The amount of a secured claim to be paid under this Plan is the lesser of the amount listed by the Debtor as the “Value” and the allowed amount of the holder’s claim. If the Court allows a different amount than is shown, the Plan shall be deemed amended without the requirement of the filing of an amended Plan unless the Trustee objects that the Plan will not complete as proposed.

C. Surrender of Property:

This section allows for the surrender of collateral. If the creditor believes that it is entitled to a deficiency claim under applicable law, the creditor may file such a claim provided it does so within the bar date. Any such deficiency claim is subject to objection by the Debtors in accordance with paragraph 13 of the Plan. If the bar date for filing a deficiency claim has passed, a separate Order of the Court (e.g., Agreed Order or Motion) is required. Failure of a creditor to file, and have allowed, a deficiency claim shall be deemed an acceptance of the surrender of the property in full satisfaction of the creditor’s claim.

5. SEPARATELY CLASSIFIED CLAIMS

This section deals primarily with co-debtor claims and is otherwise self explanatory.

6. EXECUTORY CONTRACTS AND UNEXPIRED LEASES

This section is self explanatory.

7. UNSECURED CLAIMS

This section is self explanatory.

8. through 16.

These sections are self explanatory.

17. This section requires a brief statement setting forth the reason(s) for any amendment of the Debtor(s)' Original Plan. Failure to complete this section on all amended Plans will result in the same being ***noticed as deficient by the Clerk's office.***